

Honolulu, Hawaii

FEB 28 2014

RE: S.B. No. 2698

S.D. 2

Honorable Donna Mercado Kim  
President of the Senate  
Twenty-Seventh State Legislature  
Regular Session of 2014  
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.B.  
No. 2698, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII COMMUNITY  
DEVELOPMENT AUTHORITY,"

begs leave to report as follows:

The purpose and intent of this measure is to ensure that the  
Hawaii Community Development Authority follows the intent of  
chapter 206E, Hawaii Revised Statutes.

More specifically, this measure:

- (1) Ensures that adopted plans and rules are followed, particularly in regard to density, height, infrastructure, and low- and moderate-income housing, by statutorily establishing height and density limits in statute;
- (2) Requires that any amendment made by the Hawaii Community Development Authority to the Kakaako Community Development District Mauka and Makai Area Plans be subject to the approval of the Legislature by adoption of a concurrent resolution;
- (3) Provides for adequate community engagement in the Hawaii Community Development Authority's planning and decision-making on development projects; and



- (4) Establishes a process for contesting the Hawaii Community Development Authority's decisions.

Your Committee received written comments in support of this measure from fifteen individuals. Written comments in opposition were received from the City and County of Honolulu Department of Environmental Services and Alexander & Baldwin, Inc. The Hawaii Community Development Authority and The Chamber of Commerce of Hawaii submitted written comments on the measure.

Your Committee finds that the Hawaii Community Development Authority was established in 1976 as a public entity to determine community development programs to facilitate urban redevelopment and renewal in underutilized areas of the State. Among the major objectives of the Hawaii Community Development Authority is the development of mixed-use, mixed-income communities and the creation of housing for low- and moderate-income residents. To ensure that comprehensive and coordinated development plans were executed with and for the community, the Authority was explicitly required to engage with affected communities in community development plans and projects.

Your Committee also finds that, in the thirty-seven years since its creation, the Hawaii Community Development Authority has not met the standards for creating a mixed-use, mixed-income community. Further, with regard to development in Kakaako, the Hawaii Community Development Authority has not followed the plan adopted by the community and has, instead, liberally interpreted the requirements and amended the plan and rules without accountability or transparency, to the detriment of the community. Your Committee believes that this measure is necessary to ensure that the Hawaii Community Development Authority operates in a transparent manner.

Your Committee has amended this measure by:

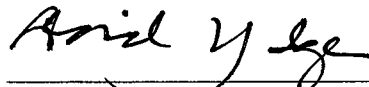
- (1) Clarifying that the Hawaii Community Development Authority shall work with landowners and residents of the community in which a project is to be located to ensure adherence to community development rules established pursuant to section 206E-7, Hawaii Revised Statutes;
- (2) Correcting language to reflect the current text of the Hawaii Revised Statutes; and



- (3) Making technical nonsubstantive amendments for the purposes of consistency, clarity, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2698, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2698, S.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,



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DAVID Y. IGE, Chair



The Senate  
Twenty-Seventh Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:* <b>SB 2698 SD1</b>	Committee Referral: <b>EGH, WAM</b>	Date: <b>2-26-14</b>		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"> <input type="checkbox"/> Pass, unamended 2312         </div> <div style="text-align: center;"> <input checked="" type="checkbox"/> Pass, with amendments 2311         </div> <div style="text-align: center;"> <input type="checkbox"/> Hold 2310         </div> <div style="text-align: center;"> <input type="checkbox"/> Recommit 2313         </div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
IGE, David Y. (C)	✓			
KIDANI, Michelle N. (VC)	✓			
CHUN OAKLAND, Suzanne	✓			
DELA CRUZ, Donovan M.	✓			
ENGLISH, J. Kalani	✓			
ESPERO, Will	✓			
KAHELE, Gilbert				✓
KEITH-AGARAN, Gilbert S.C.	✓			
KOUCHI, Ronald D.				✓
RUDERMAN, Russell E.	✓			
THIELEN, Laura H.	✓			
TOKUDA, Jill N.	✓			
SLOM, Sam	✓			
11	0	0	2	
Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <input checked="" type="checkbox"/> Adopted           <input type="checkbox"/> Not Adopted         </div>				
Chair's or Designee's Signature: <i>Michelle N. Kidani</i>				
<b>Distribution:</b> <div style="display: flex; justify-content: space-between; font-size: small;"> <div>Original File with Committee Report</div> <div>Yellow Clerk's Office</div> <div>Pink Drafting Agency</div> <div>Goldenrod Committee File Copy</div> </div>				

\*Only one measure per Record of Votes